

HOUSE BILL No. 5583

March 3, 1992, Introduced by Rep. Profit and referred to the Committee on Education.

A bill to amend section 3 of Act No. 317 of the Public Acts of 1968, entitled as amended

"An act relating to the conduct of public servants in respect to governmental decisions and contracts with public entities; to provide penalties for the violation of this act; to repeal certain acts and parts of acts; and to validate certain contracts,"

as amended by Act No. 184 of the Public Acts of 1984, being section 15.323 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 3 of Act No. 317 of the Public Acts of
2 1968, as amended by Act No. 184 of the Public Acts of 1984, being
3 section 15.323 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 3. (1) Section 2 ~~shall~~ DOES not apply to either of
6 the following:

1 (a) A public servant, OTHER THAN A MEMBER OF A GOVERNING
2 BOARD OF A LOCAL OR INTERMEDIATE SCHOOL DISTRICT, who is paid for
3 working an average of 25 hours per week or less for a public
4 entity.

5 (b) A public servant who is an employee of a public commu-
6 nity college, junior college, or state college or university.

7 (2) A contract as defined in and limited by section 2
8 involving a public entity and a public servant described in sub-
9 section (1) shall meet all of the following requirements:

10 (a) The public servant promptly discloses any pecuniary
11 interest in the contract to the official body ~~which~~ THAT has
12 power to approve the contract, which disclosure shall be made a
13 matter of record in its official proceedings.

14 (b) The contract is approved by a vote of not less than 2/3
15 of the full membership of the approving body in open session
16 without the vote of the public servant making the disclosure.

17 (c) The official body discloses the following summary infor-
18 mation in its official minutes:

19 (i) The name of each party involved in the contract.

20 (ii) The terms of the contract, including duration, finan-
21 cial consideration between parties, facilities or services of the
22 public entity included in the contract, and the nature and degree
23 of assignment of employees of the public entity for fulfillment
24 of the contract.

25 (iii) The nature of any pecuniary interest.

26 (3) This section and section 2 shall not prevent a public
27 servant from making or participating in making a governmental

1 decision to the extent that the public servant's participation is
2 required by law. If 2/3 of the members are not eligible under
3 this act to vote on a contract or to constitute a quorum, a
4 member may be counted for purposes of a quorum and may vote on
5 the contract if the member will directly benefit from the con-
6 tract in an amount less than \$250.00 and less than 5% of the
7 public cost of the contract and the member files a sworn affida-
8 vit to that effect with the official body. The affidavit shall
9 be made a part of the public record of the official proceedings.
10 As used in this subsection, "governmental decision" means a
11 determination, action, vote, or disposition upon a motion, pro-
12 posal, recommendation, resolution, ordinance, order, or measure
13 on which a vote by members of a local legislative or governing
14 body of a public entity is required and by which a public body
15 effectuates or formulates public policy.